

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1843H.02C
 Bill No.: HCS for HB 766
 Subject: Department of Health and Senior Services; Highway Patrol
 Type: Original
 Date: March 3, 2023

Bill Summary: This proposal creates provisions relating to background checks for employees and others associated with marijuana facilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Criminal Record System	Up to \$165,000	Up to \$198,000	Up to \$198,000
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$165,000	Up to \$198,000	Up to \$198,000

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

\$195.780 – Background checks related to marijuana facilities

Officials from the **Department of Health and Senior Services** and the **Department of Public Safety (DPS) - Missouri Highway Patrol (MHP)** and the **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight obtained additional information from the DPS-MHP regarding background check fees. Current background check fees cost \$41.75 each, broken out at follows:

\$20.00	State fee
\$13.25	Federal Fee
<u>\$ 8.50</u>	Vendor fee
\$41.75	Total

In addition to the State fee of \$20, the state receives \$2 as a pass-through fee from the federal portion. Therefore, for each background check conducted, \$22 will be deposited into the Criminal Record System Fund (#0671).

In response to the previous version of this proposal, **Oversight** obtained additional information from the DHSS projecting the number of ID applications they anticipate receiving as a result of the passage of Constitutional Amendment 3. DHSS said they anticipate receiving 9,000 agent ID applications for each FY2024 and FY2025 and don't expect agent applications to increase significantly past the numbers projected for FY 2025. Currently, DHSS started issuing agent licenses in April 2020 and the licenses are valid for three years, therefore, DHSS estimates renewals occurring starting in 2023. DHSS projects the same average beyond the period of the fiscal note and doesn't anticipate tapering off of applications.

Since the actual number of applications is unknown, Oversight assumes the impact to the Criminal Records System Fund could be up to \$198,000 annually (\$22 * 9,000 applications).

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
CRIMINAL RECORD SYSTEM FUND (#0671)			
<u>Income – DPS-MHP – increase in background checks (\$195.780)</u>	<u>Up to \$165,000</u>	<u>Up to \$198,000</u>	<u>Up to \$198,000</u>
ESTIMATED NET EFFECT ON THE CRIMINAL RECORD SYSTEM FUND	<u>Up to \$165,000</u>	<u>Up to \$198,000</u>	<u>Up to \$198,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Small businesses may be impacted by this proposal if they pay the background check fees of employees. (§195.780)

FISCAL DESCRIPTION

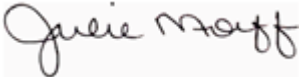
This bill specifies that the Department of Health and Senior Services will require all employees, contractors, owners, and volunteers of marijuana facilities to submit fingerprints to the State Highway Patrol for the purpose of conducting a state and federal fingerprint-based criminal background check. The fingerprint submissions may be part of a facility application, a renewal application, or an individual's application for a license or permit authorizing the person to be an employee, contractor, owner, or volunteer of a facility. Fingerprint cards and any required fees will be sent to the Highway Patrol's Central Repository. (§195.780)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

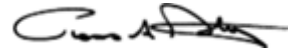
L.R. No. 1843H.02C
Bill No. HCS for HB 766
Page 5 of 5
March 3, 2023

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Public Safety - Missouri Highway Patrol
Office of Administration



Julie Morff
Director
March 3, 2023



Ross Strobe
Assistant Director
March 3, 2023